

Amendment No. 1 to HB2240

Haynes
Signature of Sponsor

AMEND Senate Bill No. 2265*

House Bill No. 2240

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 57-4-101(h), is amended by deleting the language "located in municipalities having a population in excess of one hundred thousand (100,000)".

SECTION 2. Tennessee Code Annotated, Section 57-4-102(6), is amended by adding the language "or restaurant" before the semicolon (;) at the end of subdivision (A).

SECTION 3. Tennessee Code Annotated, Section 57-4-102(20), is amended by deleting subdivision (A) and substituting instead the following:

(A) "Hotel" (Motel) means every building or other structure kept, used, maintained, advertised and held out to the public to be a place where sleeping accommodations are offered for adequate pay to travelers and guests, whether transient, permanent, or residential, in which twenty (20) or more rooms are used for the sleeping accommodations of such guests and having an adequate and sanitary kitchen for public dining. If such sleeping accommodations and dining rooms are being conducted in the same building or in separate buildings or structures used in connection therewith that are on the same premises and are a part of the hotel operation they may be licensed together. Motels meeting the qualifications set out herein for hotels shall be classified in the same category as hotels. Hotels shall have the privilege of granting franchises for the operation of a restaurant on their premises and the holder of such franchise shall be included in the definition of "hotel" hereunder;

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SECTION 4. Tennessee Code Annotated, Section 57-4-102(29)(C)(i), is amended by deleting the language "Within a national historical landmark district or urban park center," and substituting instead the language "Within a national historical landmark district, central business improvement district as defined in the Central Business Improvement District Act of 1990, compiled in title 7, chapter 84, part 5, or urban park center,".

SECTION 5. Tennessee Code Annotated, Section 57-4-102(29), is amended by deleting subdivision (E).

SECTION 6. Tennessee Code Annotated, Section 57-4-102(38)(H), is amended by deleting subdivision (v).

SECTION 7. Tennessee Code Annotated, Section 57-4-203(i)(2), is amended by deleting the language "rooms or suites or banquet rooms of".

SECTION 8. Tennessee Code Annotated, Section 57-4-102(38) is amended by adding the language "or designated area" after the language "facility" wherever it appears.

SECTION 9. Tennessee Code Annotated, Section 57-4-203(e)(2) is amended by adding the language "up to" before the language "four (4) seven hundred fifty millimeter".

SECTION 10. Tennessee Code Annotated, Section 57-4-102(26), is amended by adding the following language as a new, appropriately designated subdivision:

() A commercially operated facility possessing each of the following characteristics:

(i) Has adequate kitchen facilities and a dining area within the facility that has a seating capacity of at least fifty (50);

(ii) Is within four (4) miles of Douglas Lake;

(iii) Is located on the corner of Greenhill Road and Hwy 25-70 within one (1) mile of I-40 at Exit 415; and

(iv) Is located in a county having a population of not less than fifty-one thousand four hundred (51,400) nor more than fifty-one thousand five hundred (51,500) according to the 2010 federal census or any subsequent federal census.

SECTION 11. Tennessee Code Annotated, Section 57-3-101(a)(1)(A), is amended by deleting the subdivision in its entirety and by substituting instead the following:

(1)

(A) "Alcoholic beverage" or "beverage" means and includes alcohol, spirits, liquor, wine, high alcohol content beer, and every liquid containing alcohol, spirits, wine, and high alcohol content beer and capable of being consumed by a human being, other than patent medicine or beer, as defined in § 57-5-101(b). Notwithstanding any provision to the contrary in this title, "alcoholic beverage" or "beverage" also includes any product containing distilled alcohol capable of being consumed by a human being, manufactured or made with distilled alcohol, regardless of alcohol content, including any infused product. Liquid products intended for beverage purposes containing alcohol that do not meet the definition of beer under § 57-5-101(b) shall also be alcoholic beverages. Notwithstanding this subdivision (a)(1)(A), products or beverages containing less than one half of one percent (.5%) alcohol by volume, other than wine as defined in this section, shall not be considered to be alcoholic beverages, and shall not be subject to regulation or taxation pursuant to chapters 1-6 and 9 of this title.

SECTION 12. Tennessee Code Annotated, Section 57-3-101(a), is amended by adding the following as a new subdivision (9) and by redesignating each subsequent subdivision accordingly:

(9) "Infusion" or "infused product" means any product created from the combining or mixing of an alcoholic beverage with nonalcoholic products or material over a sustained period of time and at the time of the combination or mixing, the combination or mixture is not intended for immediate consumption;

SECTION 13. Tennessee Code Annotated, Section 57-3-202, is amended by adding the following as a new subsection (g) and by redesignating the current subsection (g) and all subsequent subsections accordingly:

(g) Notwithstanding subsection (f), an establishment licensed to sell alcoholic beverages for on-premises consumption pursuant to chapter 4, part 1 of this title, may, without a manufacturer's license, produce, store and sell infused products pursuant to Section 5 of this act.

SECTION 14. Tennessee Code Annotated, Section 57-4-102(1), is amended by deleting the subdivision in its entirety and by substituting instead the following:

(1) "Alcoholic beverage" or "beverage" means and includes alcohol, spirits, liquor, wine, and every liquid containing alcohol, spirits, wine and capable of being consumed by a human being, other than patented medicine or beer where the latter contains an alcoholic content of five percent (5%) by weight, or less. Notwithstanding any provision to the contrary in this title, "alcoholic beverage" or "beverage" also includes any product containing distilled alcohol capable of being consumed by a human being manufactured or made with distilled alcohol irrespective of alcoholic content, including any infused product.

SECTION 15. Tennessee Code Annotated, Title 57, Chapter 4, Part 1, is amended by adding the following as a new section.

(a) Notwithstanding any law to the contrary, an establishment licensed to sell alcoholic beverages for on-premises consumption pursuant to this part may produce, store and sell infusions pursuant to this section. The commission may promulgate rules

and regulations regarding the production, storage, and sale of infusions by any licensee in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

(b) Any retail licensee intending to produce, store or sell infusions shall provide written notification to the commission of the licensee's intent to do so either in its initial application for a license with the commission or on its annual renewal application.

(c) All alcoholic beverages used in the production of an infusion must have been purchased from a licensed wholesaler.

(d) A batch of infused product must be:

(1) Infused, stored, and consumed on the licensed premises;

(2) Disposed of within two hundred forty (240) hours after the infusion had been produced; and

(3) Stored in a labeled container that is compliant with state and federal food safety statutes, federal alcohol regulations, the Tennessee Consumer Protection Act of 1977, compiled in title 47, chapter 18, part 1 and Rule 100-11-.03.

(e) A batch of infused product may not:

(1)

(A) Contain any added stimulant, drug, or illegal substance;

(B) For purposes of subdivision (e)(1), "added stimulant" means any stimulant used in the production of the infusion that is not naturally contained in any food product or beverage used in the production of the infusion;

(C) For purposes of subdivision (e)(1), "stimulant" includes, but is not limited to, caffeine, guarana, ginseng, and taurine and any product or

beverage which includes stimulants that are not naturally included in the product or beverage, including, but not limited to, energy drinks;

(2) Be removed or transported from the licensed premises;

(3) Be infused, stored, or dispensed from an original package of liquor or wine, or a container bearing an alcoholic beverage name brand; or

(4) Be added to a relabeled empty container or another batch if the batch is expired.

(f)

(1) A label is required to be on each container that holds a batch of infused product, including any container, device or machine used to dispense an infusion. The label must adhere to the container, in a noticeable place, until the entire contents are dispensed or destroyed. The label must legibly identify:

(A) The date and time of infusion of the alcoholic beverages with nonalcoholic ingredients in the container;

(B) The date and time the batch expire;

(C) The recipe title and a description of the name and amount of each ingredient used in the infusion;

(D) The size of the batch; and

(E) The person who prepared the batch.

(2) Each label must be marked clearly with the words "CONTAINS ALCOHOL."

SECTION 16. This act shall take effect upon becoming a law, the public welfare requiring it.